

March 27, 2003

The Honorable W.J. Billy Tauzin
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

The Coalition of Northeastern Governors (CONEG), which has long supported the Low-Income Home Energy Assistance Program (LIHEAP), commends the recent action by Congress to provide increased funding for the LIHEAP program in FY 2003. However, we strongly oppose efforts to modify the current allotment formula by reducing the hold-harmless provision.

The LIHEAP program has proven successful in assisting low-income households across the nation to cope with the combined effects of severe weather conditions and high energy costs. These households' limited financial resources must meet numerous essential needs — food, clothing, medical care, home heating, cooling, and transportation. Various federal, state and private sector programs provide assistance in meeting these diverse needs. However, LIHEAP, with a distribution formula that combines poverty as well as variable temperature conditions, is uniquely targeted to help low-income households manage the additional financial burden of heating and cooling their homes.

The CONEG Governors urge you to maintain the current hold-harmless levels in the program. The Northeast states have established LIHEAP programs to assist our low-income households whose budgets must absorb some of the nation's highest home energy costs. Even with the welcome increase in FY 2003 funding, recent LIHEAP funding levels have not been adequate for states to meet the increased demand for regular caseloads and significant increases in emergency assistance from households in imminent danger of fuel service cut-off. At a time when higher home heating oil prices, a weaker economy, and a severe winter season have pushed up the need for LIHEAP assistance, changes to the hold-harmless funding level would sharply reduce the funds for those effective programs that are already doing all they can to stretch limited LIHEAP resources.

The CONEG Governors welcome the opportunity to share our views with the Committee, and stand ready to provide you with additional information on the importance of the Low-Income Home Energy Assistance Program to the region.

Regards,

/os/

Mitt Romney
Chairman